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FM AMEMBASSY ASHGABAT
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INFO RUCNCLS/ALL SOUTH AND CENTRAL ASIA COLLECTIVE PRIORITY
RUCNCIS/CIS COLLECTIVE PRIORITY
RUCNMEM/EU MEMBER STATES COLLECTIVE PRIORITY
RUEHAK/AMEMBASSY ANKARA PRIORITY 4670
RUEHBJ/AMEMBASSY BEIJING PRIORITY 2473
RUEHKO/AMEMBASSY TOKYO PRIORITY 2338
RUEHIT/AMCONSUL ISTANBUL PRIORITY 2918
RHMFIUU/CDR USCENTCOM MACDILL AFB FL PRIORITY
RUEAIIA/CIA WASHDC PRIORITY
RHEFDIA/DIA WASHDC PRIORITY
RUEKJCS/JOINT STAFF WASHDC PRIORITY
RHEHNSC/NSC WASHDC PRIORITY
RUEKJCS/SECDEF WASHDC PRIORITY
RUCPDOG/DEPT OF COMMERCE WASHDC PRIORITY
RUEATRS/DEPT OF TREASURY WASHDC PRIORITY
RUEHRC/DEPT OF AGRICULTURE WASHDC PRIORITY
RUEHRC/USDA WASHDC

UNCLAS SECTION 01 OF 02 ASHGABAT 000047

SENSITIVE
SIPDIS

STATE FOR SCA/CEN, EEB
ANKARA FOR AGRICULTURE COUNSELOR

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TAGS: [EAGR](#) [ECON](#) [SOCI](#) [TX](#)

SUBJECT: TURKMENISTAN'S GRAIN PRODUCTION: THE GOVERNMENT
STILL MAKES FARMERS TO GROW GRAIN BY COMMAND METHODS

¶1. (U) Sensitive but unclassified. Not for public Internet.

¶2. (SBU) SUMMARY: In 2008 Turkmenistan produced 920,000 tons of grain. This is much lower than the amount required for domestic consumption. In order to improve grain and also cotton production, President Berdimuhamedov announced in early 2007 his intention to reform state agriculture. According to Berdimuhamedov, the key to the success of the reform was releasing farmers from official interference. However, the government continues central command management in agriculture by setting timeframes for planting and harvesting start-ups and other farming activities. This practice discourages farmers and has a negative impact on the harvest. END SUMMARY.

GRAIN FIGURES ANNOUNCED IN DECEMBER

¶3. (SBU) President Berdimuhamedov announced at the December 15 Cabinet meeting that Turkmen farmers had harvested around one million metric tons of grain. This figure is for the so-called bin weight, which experts believe to be seven or eight percent higher than the actual weight of the commodity following cleaning and dehydration. If this is taken into account, the actual figure for the 2008 grain harvest is 920,000 tons. It appears that this is also the maximum that Turkmenistan can currently produce, based on the total area of 900,000 hectares used to grow wheat and the average yield of 1.2 tons of wheat per hectare. It is much lower than the amount required for domestic consumption, which Minister of Agriculture Esenmurat Orazgeldiyev estimated as 1,600,000 tons.

CHANGE IN AGRICULTURE POLICY FROM EARLY 2007 -- IN NAME ONLY

¶4. (SBU) In order to improve grain and cotton

production, President Berdimuhamedov announced in early 2007 his intention to reform state agriculture, adding that the most important provision for the success of the reform is "to make a farmer the real owner of the land and free him from numerous instructions and supervisions." According to an independent source, some Turkmen farmers had complained that official interference and ineptitude impaired agricultural productivity, which may have influenced Berdimuhamedov's decision to change agriculture policy. A farmer in Dashoguz told the source he wanted to till the land in early November -- when weather conditions made the job easier -- but he was told to stop his work because the order to begin had not been received from Ashgabat. The Ministry did not send the order to begin work until mid-December, at which time harsh weather conditions made it "impossible to get anything done."

MANY CITIZENS STILL DEPEND ON SUBSIDIZED BREAD

15. (SBU) Residents of provincial towns, which cannot afford to buy expensive commercially-supplied bread and depend on state-supplied or so-called "social bread", often experience shortages due to an insufficient supply of subsidized bread. (NOTE: The price of this subsidized bread is 1,000 manat or 7 cents per loaf. Commercially-supplied bread costs 5,000 manat or 35 cents per loaf at the current exchange rate. END NOTE.) Because of short supply, state bread stores will sell each customer a maximum of two loaves of "social bread" -- and only if that person is registered as a local resident. According

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to Pol/Econ Section contacts in Lebap and Mary provinces, people have to stand in long lines from 6 a.m. to 8 a.m., if they are to have any hope of buying rations of "social bread".

16. (SBU) COMMENT: Despite President Berdimuhamedov's promise to stop official interference in the farming sector, provincial officials maintain the practice and the policy of central command management in all sectors of the national economy, including agriculture, continues. In this case, as is common, the official statements of reform lag far behind continued practice, because it is difficult for officials to give up control. END COMMENT.

MILES